05 - 17 - 2002 FORM PTO-1618A U.S. Department of Gommerce Patient and Tracement Office Expires 06/30/99 OMB 0651/0027 TRADEMARK 102091699 RECURDA NON FURM COVER SHEET TRADEMARKS ONLY TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies). Submission Type Conveyance Type New **Assignment** License Resubmission (Non-Recordation) X **Security Agreement** Nunc Pro Tunc Assignment Document ID # Correction of PTO Error **Effective Date** Merger Month Day Year Reel # Frame # Corrective Document Change of Name Frame # Other **Conveying Party** Mark if additional names of conveying parties attached Execution Date Month Day Year A Better Way of Learning, Inc. 01/14/2000 **Formerly** Individual General Partnership Limited Partnership X Corporation Association Other State of Incorporation/Organization Delaware Mark if additional names of receiving parties attached Receiving Party Name Wells Fargo Bank, National Association **DBA/AKA/TA** Composed of Orange County Regional Commercial Banking Office Address (line 1) 2030 Main Street, Suite 900 Address (line 2) 92614 Address (line 3) Irvine Zip Code State/Country If document to be recorded is an Limited Partnership assignment and the receiving party General Partnership Individual is not domiciled in the United States, an appointment of a domestic representative should be attached. Association Corporation (Designation must be a separate document from Assignment). Other 8 California State of Incorporation/Organization FOR OFFICE USE ONLY 03/28/2000 INGLYEN 00000036 75185900 Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the documents and 10231 and to 10231 and to 10231 and 10331 and 103 40.00 DP FC:481 02 FC:482 Mail documents to be recorded with required cover sheet(s) information to:

Commissioner of Patents and Trademarks

FORM PTO-10 Expires 06/30/99 OMB 0651-0027	618B	Pag	je 2	U.S. Department of Commerce Patent and Trademark Office TRADEMARK
Domestic Rep	presentative Name	e and Address	Enter for the First Re	ceiving Party only.
Name [				
Address (line 1)				
Address (line 2)				
Address (line 3)				
Address (line 4)				
Corresponde	nt Name and Add	' <b>ess</b> Area Code a	nd Telephone Number	(949) 823-6971
Name	Suzzanne S. Uhland, E.	sq.		
Address (line 1)	O'Melveny & Myers, LL	P		
Address (line 2)	610 Newport Center Dri	ve, 17 <sup>th</sup> Floor		
Address (line 3)	Newport Beach, CA 926	560-6429		
Address (line 4)				
Pages	Enter the total number including any attachm	r of pages of the attache	d conveyance document	# 5
Enter either the Trac	demark Application Number	r(s) or Registration	oer (DO NOTENTER BUTHT	X Mark if additional numbers attached numbers for the same property). stration Number(s)
75/185,900	75/976,871	75/173.508	2,263,797	
75/185.957	75/977.097	75/321,599		
75/173.509	75/976.592	75/197.431		
Number of Pr		nter the total number of	properties involved.	# 36
Fee Amount		mount for Properties Lis	sted (37 CFR 3.41):	\$ 920.00
Method of		Enclosed X	Deposit Account	
(Enter for pa	yment by deposit account	or if additional fees can be	Deposit Account Number	
		Authorization	to charge additional fee	s: Yes X No
Statement ar To the b is a true	nd Signature est of my knowledge ar copy of the original do	nd belief, the foregoing is	nformation is true and co	orrect and any attached copy zed, as indicated herein.
Suzzann <b>Nam</b> e	e S. Uhland, Esq. e of Person Signing	<i></i>	Signature	Date Signed

FORM PTO-1618 Expires 06/30/99 OMB 0651-0027		DATION FORM COVER SHE CONTINUATION FRADEMARKS ONLY	ET U.S. Department of Commerce Patent and Trademark Office TRADEMARK
Conveying Par		Mark if additional names o	f conveying parties attached  Execution Date  Month Day Year
Name			
Formerly			
Individual	General Partnership	Limited Partnership	Corporation Association
Other Citizenship/Sta	ate of Incorporation/Organization		
Receiving Part	<b>y</b> iving Party	Mark if additional names o	f receiving parties attached
Name [			
DBA/AKA/TA			
Composed of			
Address (line 1)			
Address #			
Address (line 2)			
Address (line 3)	City	State/Country	Zip Code
Individual	General Partnership	Limited Partnership	If document to be recorded is an assignment and the receiving party is not domiciled in the United States,
Corporation	Association		an appointment of a domestic representative should be attached.  (Designation must be a separate
Other			document from the Assignment).
Citizenship/Sta	te of Incorporation/Organization		
Enter either the Ti	ication Number(s) or Re rademark Application Number or the rk Application Number(s)	ne Registration Number (DO NOT ENTE	Mark if additional numbers attached  R BOTH numbers for the same property).  gistration Number(s)
75/977.223	75/321,397 75/173.	510	
75/185,901	75/976,820 75/173	694	
75/978,126	75/359,692 75/197	464	
75/197,465	75/619,654 75/619	578	
75/618,929	75/618,927 75/618	.925	
75/619,316	75/619.468 75/619	.467	
75/619,588	75/619,099 75/815	.873	

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027		DATION FORM COVER SHI CONTINUATION RADEMARKS ONLY	Patent and Tra	
Conveying Party Enter Additional Conveying Name	3 Party	Mark if additional names		rtion Date Day Year
Formerly Individual Other	General Partnership	Limited Partnership	Corporation	Association
Citizenship/State of	Incorporation/Organization			
Receiving Party Enter Additional Receiving Name  DBA/AKA/TA  Composed of  Address (line 1)	Party	Mark if additional names	of receiving parties attached	
Address (line 2)  Address (line 3)  Individual  Corporation  Other	Cky General Partnership Association	State/Country Limited Partnership	If document to be reco assignment and the re- is not domiciled in the an appointment of a do representative should (Designation must be a document from the As	rded is an ceiving party United States, omestic be attached.
	Incorporation/Organization	egistration Number(s)	Mark if additional nu	
Enter either the Trade	mark Application Number <u>or</u> th Application Number(s)	he Registration Number (DU NO LEA	TTER BOTH numbers for the sam Registration Number(s)	e property).
73/813,040	75/814,925 75/767.	413		

## GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, A Better Way of Learning, Inc., a Delaware corporation ("Grantor"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Grantor has issued to Wells Fargo Bank, National Association, a California corporation (the "Secured Party"), a certain Security Agreement dated as of January 14, 2000 (the "Security Agreement"); and

WHEREAS, pursuant to the terms of the Security Agreement, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral.

NOW THEREFORE, Grantor hereby assigns to Secured Party, and hereby grants to Secured Party a security interest in, all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "Trademark Collateral"):

- or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule 1(a)(i), as the same may be amended pursuant hereto from time to time) (collectively, the "Trademarks"), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule 1(a)(i), as the same may be amended pursuant hereto from time to time) (the "Trademark Registrations"), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries (the "Trademark Rights"), and all goodwill of Grantor's business symbolized by the Trademarks and associated therewith (the "Associated Goodwill"):
- (b) all proceeds, products, rents and profits of or from any and all of the foregoing Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty. payable by reason of loss or damage to or otherwise with respect to any of the foregoing Collateral. For purposes of this Agreement, the term "proceeds" includes whatever is receivable or received when Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

NB1:459764.1

Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include, and no Grantor shall be deemed to have granted a security interest in any of Grantor's rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Trademark Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

NB1:459764.1

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officers hereunto duly authorized as of the 14<sup>th</sup> day of January, 2000.

A Better Way of Learning, Inc., a Delaware corporation

Name: Coleman F. Kane

Title: President



## SCHEDULE 1

## to

## GRANT OF TRADEMARK SECURITY INTEREST

1. 2. 3. 4. 5. 6. 7. 8.		THE PHONICS GAME		
3. 4. 5.		(Trademark)	9, 16	75/185,900
5. 6.		THE PHONICS GAME (Trademark)	9	75/976,871
5. 6. 7.		THE PHONICS GAME (Trademark)	28	75/173,508
6. 7.		LOGO – THE PHONICS GAME (Trademark)	9, 16, 28	75/185,957
7.		LOGO - THE PHONICS GAME (Trademark)	9	75/977,097
		18-HOUR PHONICS (Trademark)	9	75/321,599
8.		18-HOUR PHONICS (Trademark)	28	75/173,509
1		18-HOUR PHONICS (Trademark)	28	75/976,592
9		ED DESIGN (Trademark)	9, 16, 28	75/197,431
10.		ED DESIGN (Trademark)	16, 28	75/977,223
11.		JUNIOR PHONICS (Trademark)	9	75/321.397
12.		JUNIOR PHONICS	28	75/173,510
13.		(Trademark) JUNIOR PHONICS	28	75/976,591
14.		(Trademark) GET A CLUE	9, 16	75/185,901
15.		(Trademark) GET A CLUE	9	75/976,820
16.		(Trademark) GET A CLUE	28	75/173,694
	3,797	(Trademark)  DETECTIVE DIGIT (Trademark)	9, 16	75/197,463

NB1 459764.1

(Trademark)	9	75/978,126
SMART-N-UP (Trademark)	28	75/359,692
Q-UP: THE INTELLIGENT GAME (Trademark)	9, 16	75/197,464
Q-UP: THE INTELLIGENT GAME	28	75/197,465
THE PHONICS GAME A BETTER WAY OF LEARNING	9	75/619,654
THE PHONICS GAME A BETTER WAY OF LEARNING	16	75/619,578
THE PHONICS GAME JUNIOR A BETTER WAY OF LEARNING (Trademark)	9	75/618,929
THE PHONICS GAME JUNIOR A BETTER WAY OF LEARNING (Trademark)	16	75/618,927
THE MATH GAME A BETTER WAY OF LEARNING (Trademark)	9	75/618,925
THE MATH GAME A BETTER WAY OF LEARNING	16	75/619,316
THE MATH GAME JUNIOR A BETTER WAY OF LEARNING	9	75/619,468
THE MATH GAME JUNIOR A BETTER WAY OF LEARNING	16	75/619,467
A BETTER WAY OF LEARNING	9	75/619,588
A BETTER WAY OF LEARNING	16	75/619,099
G2L	9	75/815,873
GAMES2LEARN.COM	35	75/815,845 75/814,925
G2L		75/814,923
GAMES2LEARN		75/767,413
GAMES2LEARN	35	121163,000
	SMART-N-UP (Trademark) Q-UP: THE INTELLIGENT GAME (Trademark) Q-UP: THE INTELLIGENT GAME (Trademark) THE PHONICS GAME A BETTER WAY OF LEARNING (Trademark) THE PHONICS GAME A BETTER WAY OF LEARNING (Trademark) THE PHONICS GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE PHONICS GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME A BETTER WAY OF LEARNING (Trademark) THE MATH GAME A BETTER WAY OF LEARNING (Trademark) THE MATH GAME A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) A BETTER WAY OF LEARNING (Trademark) A BETTER WAY OF LEARNING (Trademark) G2L (Trademark) G2L (Trademark) GAMES2LEARN.COM (Trademark) GAMES2LEARN.COM (Trademark) GAMES2LEARN.COM	(Trademark) SMART-N-UP (Trademark) Q-UP: THE INTELLIGENT GAME (Trademark) Q-UP: THE INTELLIGENT GAME (Trademark) THE PHONICS GAME A BETTER WAY OF LEARNING (Trademark) THE PHONICS GAME A BETTER WAY OF LEARNING (Trademark) THE PHONICS GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE PHONICS GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME A BETTER WAY OF LEARNING (Trademark) THE MATH GAME A BETTER WAY OF LEARNING (Trademark) THE MATH GAME A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) THE MATH GAME JUNIOR A BETTER WAY OF LEARNING (Trademark) GAMES2LEARN COM (Trademark) GAMES2LEARN COM (Trademark) GAMES2LEARN (Trademark)  GAMES2LEARN (Trademark)  GAMES2LEARN (Trademark)

59764.1

**RECORDED: 02/24/2000**